

Derivatives

BTC, ETH, BCH, XRP, BAT, LTC, XLM, FTT, SOL Perpetuals	Transferred to Quoine. In accordance with Japanese regulations, if you are leveraged above 2x, a margin call will be triggered and you will be required to deposit additional collateral into your account within two business days to prevent your position from being liquidated. Please note that if you are using crypto asset for margin, your margin amount will be reduced to 50%.	You will be forcibly deleveraged to a maximum of 2x leverage before your account is transferred to Quoine. Please note that if you are using crypto asset for margin, your margin amount will be reduced to 50%.
All dated futures	Your positions will be forcibly closed and liquidated on the Transfer Deadline regardless of whether you have a profit or loss position.	
All other perpetuals	Your positions will be forcibly closed and liquidated on the Transfer Deadline regardless of whether you have a profit or loss position.	
All other products including leveraged tokens, tokenized stock, and prediction markets.	Your assets and positions will be forcibly closed and liquidated on the Transfer Deadline into USD, and transferred to Quoine. You will be able to withdraw the USD from Quoine after the Transfer Deadline.	

We will also be making a few more changes as part of the localization of our products in Japan. Please continue to review our updated Trading Rules and Terms of Use.

If you have any questions, please submit a support ticket via <https://ftx.com/support>.

Thank you,

FTX Team

With the transfer, FTX Trading was notified that it planned to make changes to its trading rules and terms of service.

■ 【KROLL】 FTX Trading Ltd. Case No. 22-11068 >Docket 20744



<https://restructuring.ra.kroll.com/FTX/Home-DocketInfo?DockRelatedSearchValue=900807-20744>

It is important to note that FTX Trading was notified that all remaining customer contract accounts located in Japan that were registered with FTX Trading, except those that were terminated by the Transfer Deadline (April 4, 2022), would be transferred from FTX Trading to FTX Japan.

In other words, the account was to be transferred to FTX Japan (formerly known as Quoine) regardless of whether the KYC process (identity verification process) was completed or not.

- (3) Customer consent to asset transfers as specified in the FTX Trading Terms of Service

The FTX Trading Terms of Service filed in Chapter 11 are available in Docket 328-2. Please review Page 26 of 63 of that document, which contains the section entitled "37. ASSIGNMENT AND SUBCONTRACTING".

37. **ASSIGNMENT AND SUBCONTRACTING**

37.1 You may not assign, novate, or otherwise transfer, any of your rights or obligations under the Terms, or sub-contract the performance of any of your obligations under the Terms, without the prior written consent of FTX Trading. Any attempted assignment, novation, transfer or sub-contracting without our consent shall be void.

37.2 FTX Trading may assign, novate, or otherwise transfer any of its rights or obligations under the Terms to any other person, or sub-contract the performance of any of its obligations under the Terms (including the performance of the Services), at any time and without your consent, and you hereby consent to such assignment, novation, transfer or subcontracting, and agree to take all actions (including by way of executing documents) and other assistance required by FTX Trading to ensure that any such assignment, novation, transfer or subcontracting is effective and enforceable. If you object to such assignment, novation, transfer or sub-contracting you may stop using our Services and terminate the Terms by [contacting us](#) and requesting us to close your Account.

■ **[KROLL]** FTX Trading Ltd. Case No. 22-11068 > Docket 328



<https://restructuring.ra.kroll.com/FTX/Home-DocketInfo?DockRelatedSearchValue=900807-328>

Clause 37.2 stated that the customer hereby consented to any and all transfers of customer rights and obligations made by FTX Trading. **In other words, the asset transfer agreements made by FTX Trading did not require consent to be obtained separately, and the transfer of customer accounts located in Japan was valid.**

Since this item was changed after the transfer deadline, it can be said that this is a change to FTX Trading's Terms of Service to accommodate the transfer of assets to FTX Japan, as announced in the transfer notice.

As a supplementary note, FTX Japan's terms of service also stipulate that the customer agrees in advance when FTX Japan transfers the customer's rights and obligations. This is a logical structure very similar to the FTX Trading Terms of Service.

第22条 (権利の譲渡等)

1. ユーザーは、当社の書面による事前の承諾なく、利用契約上の地位又は本規約に基づく権利若しくは義務につき、第三者に対し、譲渡、移転、担保設定、その他の処分をすることはできません。
2. 当社は本サービスにかかる事業を他社に譲渡した場合には、当該事業譲渡に伴い利用契約上の地位、本規約に基づく権利及び義務並びにユーザーの登録情報その他の顧客情報を当該事業譲渡の譲受人に譲渡することができるものとし、ユーザーは、かかる譲渡につき本項においてあらかじめ同意したものとします。なお、本項に定める事業譲渡には、通常の事業譲渡のみならず、会社分割その他事業が移転するあらゆる場合を含むものとします。

English Translation:

2. In the event that we transfer the business of this service to another company, we may transfer the status of the user contract, rights and obligations under this agreement, and the user's registration information and other customer information to the transferee of such business transfer, and the user agrees to such transfer in advance in this paragraph. The business transfer stipulated in this paragraph shall include not only ordinary business transfers, but also corporate divestitures and any other cases in which business is transferred.

While FTX Japan was prepared to make its own transfers effective at any time, it claims that the transfers made by its then parent company, FTX Trading, with a similar logical structure, did not exist after Chapter 11 began.

This is indeed a convenient and inconsistent argument for the debtor.

- (4) Filed a notification of business acquisition with the Kanto Local Finance Bureau
- FTX Japan submitted a "Notification Concerning the Acquisition of a Portion of the Business" to the Kanto Local Finance Bureau, the Japanese regulatory authority, on May 28, 2022.

In its notification, FTX Japan had entered into a business transfer agreement with FTX Trading in November 2021, and had filed a statement to the effect that the asset transfer had already taken place.

At that time, a "Statement of Reasons for Delay in Submission" was attached, stating that the notification should have been submitted when the company took over part of the business, but was submitted on May 28, 2022, after a delay.

(5) FTX Japan Officially Launches Services

As a result of the completion of the asset transfer procedure based on the Asset Transfer Agreement, FTX Japan K.K. officially launched its crypto asset trading platform, FTX Japan, on May 30, 2022.

※ Image translated into English

The screenshot shows the FTX JP website interface. At the top, there is a navigation bar with the FTX JP logo on the left and a "Sign In" link on the right. Below the navigation bar, there is a breadcrumb trail: "Customer Support (Help/Inquiries) | FTX Japan > News and Campaigns > notice". A search bar with the placeholder text "Search articles" is also visible. The main content area features a large, bold headline: "FTX Japan has finally officially launched! New registrations now open!". Below the headline, it says "renew 3 months ago". The article's featured image is a blue graphic with the FTX JP logo in the top left corner. The text in the image reads "FTX Japanが ついに正式ローンチ!" (FTX Japan has finally officially launched!). To the right of the text are three stylized coins: a Bitcoin (BTC), an Ethereum (ETH), and a coin with the FTX logo. Below the image, the text states: "On May 30, 2022, FTX Japan Co., Ltd. officially launched 'FTX Japan,' a cryptocurrency trading platform."

FTX JP Sign In

Customer Support (Help/Inquiries) | FTX Japan > News and Campaigns > notice

Search articles

FTX Japan has finally officially launched! New registrations now open!

renew 3 months ago

FTX JP

**FTX Japanが
ついに正式ローンチ!**

On May 30, 2022, FTX Japan Co., Ltd. officially launched "FTX Japan," a cryptocurrency trading platform.

- 【Archived Site】 May 30, 2022 Official Launch of “FTX Japan



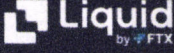
[https://web.archive.org/web/20230208173934/https://help-
jp.ftx.com/hc/ja/articles/7150052265241-FTX-
Japan%E3%81%8C%E3%81%A4%E3%81%84%E3%81%AB%E6%AD%A3%E5%BC%8
F%E3%83%AD%E3%83%BC%E3%83%B3%E3%83%81%E6%96%B0%E8%A6%8F%E7
%99%BB%E9%8C%B2%E5%8F%97%E4%BB%98%E4%B8%AD-](https://web.archive.org/web/20230208173934/https://help.jp.ftx.com/hc/ja/articles/7150052265241-FTX-Japan%E3%81%8C%E3%81%A4%E3%81%84%E3%81%AB%E6%AD%A3%E5%BC%8F%E3%83%AD%E3%83%BC%E3%83%B3%E3%83%81%E6%96%B0%E8%A6%8F%E7%99%BB%E9%8C%B2%E5%8F%97%E4%BB%98%E4%B8%AD-)

4. Public announcements and representations by FTX Japan

(1) Publication of FTX Japan's acceptance of the contents of the notice of transfer

FTX Japan also provided in-depth information on the contents of the transfer notice on its official page.

※ Image translated into English


[Contact us via web form](#)

[Liquid by FTX Help Center](#) > [Announcement from Liquid by FTX](#) > [Terms and Rules](#)

search

Articles in this section

Regarding the Acquisition of Our Parent Company by FTX

1 month ago · renew

Check the leverage rate for corporate accounts

Third-party consultation desk regarding our services

Documents required for identity verification

Important Notice Regarding Compliance with the Act on Prevention of Transfer of Criminal Proceeds

各種規程

Complaints about our services

Regarding the Acquisition of Our Parent Company by FTX

1 month ago · renew

Launch of "FTX Japan"

*For more information on FTX's acquisition of Liquid, please see [this blog post](#).

As part of this acquisition, we plan to launch the "FTX Japan" service in Japan on March 30, 2022.

Existing FTX customers who live in Japan will need to complete KYC with us to use this service, after which they will be able to continue using spot and leveraged trading and services in compliance with Japanese laws and regulations.

In the future, we aim to build an even more innovative platform, provide a sophisticated onboarding process, and offer advanced products and services.

About FTX

What is FTX?

FTX is a cryptocurrency exchange built by traders, for traders.

Since its launch in 2019, FTX.COM has grown rapidly to become one of the world's most respected cryptocurrency exchanges, offering spot, derivatives, NFTs, and other innovative products and services.

About FTX Japan

What cryptocurrencies can I trade on FTX Japan?

FTX Japan plans to offer spot and leveraged trading of the following crypto assets:

- BTC
- ETH
- SOL (Japanese first)
- FTT (first in Japan)
- BCH
- XRP
- ONE
- XLM
- LTC
- QASH

We plan to continue handling new cryptocurrencies in the future and will make announcements on our website and through social media.

About accounts

Liquid account holders

For the time being, there will be no changes to the current Liquid service offering, but we will notify you again if there are any changes.

Existing FTX account holders

Existing FTX accounts will be transferred to FTX Japan. In order to use FTX Japan's services as a customer of our company after the transfer date, you will need to update your account information according to the instructions from FTX. If you do not wish to continue as a customer of our company, please withdraw your assets and close your account in accordance with FTX's Terms of Use by 10:00 p.m. on March 29, 2022 (hereinafter referred to as the "Transfer Date"). Please note that you will be able to access and use the services of your existing FTX account until the Transfer Date.

Existing FTX and Liquid account holders

You can continue to use your Liquid account as is.

For existing FTX accounts, please see "Existing FTX accounts" above.

*For customers who already have a Liquid account, we apologize for the inconvenience, but you will need to go through FTX JP KYC again as instructed by FTX. We appreciate your cooperation.

About the Platform

Will the FTX Japan and Liquid platforms be integrated?

Our long term plan is to provide all our customers with a single best-in-class platform, and we will provide further updates on our migration plans and timelines.

Can I use my existing Liquid account with FTX Japan?

To use the FTX Japan platform, you need a separate FTX Japan account, so you cannot use it at the moment.

We will provide you with information on how to use your existing Liquid account at a later date.

Transfers from existing FTX users residing in Japan to FTX Japan

*Please complete KYC according to the instructions from FTX.

■ KYC screening

I have an existing Liquid account, can I use FTX Japan without going through the KYC check?

For customers who already have a Liquid account, we apologize for the inconvenience, but you will need to go through FTX JP KYC again as instructed by FTX. Thank you for your cooperation.

I have an existing FTX account, why do I need to KYC again?

In order to use FTX Japan after March 30, 2022, we will need to comply with Japanese legal requirements, so we are asking you to re-examine your account.

■ About assets held

What will happen to my existing FTX holdings?

After transfer to FTX Japan, your fiat currency and crypto assets will be segregated in accordance with the requirements of laws, regulations and rules. Specifically, fiat currency will be properly segregated in a trust account contracted with our company, and crypto assets will be properly segregated in a completely offline cold wallet.

Legal tender

After transferring to FTX Japan, all fiat currency you currently hold with FTX will be reflected in your FTX Japan account balance.

Crypto assets

At this time, no action is required for cryptocurrencies that are planned to be traded on FTX Japan.

For other cryptocurrencies, please see below.

- FTX services will continue to be available as usual until the transfer date to FTX Japan (March 29, 2022). Therefore, you can exchange your crypto assets for the ones we plan to handle and withdraw your crypto assets from FTX.
- If you do not withdraw crypto assets that FTX Japan does not handle by the transfer deadline, they will be managed in the "multi-sig wallet" below, but you will be able to withdraw them by instructing them through the FTX application.

- Crypto assets stored in a multi-sig wallet can only be withdrawn at the direction of the intended user.
- These crypto assets will be stored in dedicated cold wallets, and the private keys will be managed by FTX, us, and third-party "custodians," respectively.
- To withdraw funds from a multi-sig wallet, signatures from all three parties are required.
- This shipping process is expected to take approximately 1-3 business days|

■ Regarding held positions

What happens to my existing open leveraged trades and other derivative positions on FTX?

Please refer to the "Important Notice to Japanese Customers" sent by FTX.

About Perpetual

Can I trade perpetuals on FTX Japan?

Yes. Details of leverage ratios, currency pairs, collateral, margin, etc. will be explained in the FTX Japan help page and trading rules in the future.

Can I trade yen-denominated perpetuals on FTX Japan?

Initially, it will only be offered in US Dollars, however our engineering team is working to enable this innovative product to be traded in Japanese Yen in the near future.

About QASH (LQT) and Liquid Chain

What about QASH updates?

Currently, there is no change to QASH utility on Liquid.

More details can be found on the [QASH token page](#).

What will happen to Liquid Chain?

Announcements regarding Liquid Chain will be posted separately on our website.

Who should I contact if I have further questions?

If you have any other questions or concerns, please don't hesitate to contact us.

Existing FTX customers: support@ftx.com

For Liquid customers: [Please contact](#) Liquid by Quoine Japan Customer Support.



- **【Archived Site】 Regarding the Acquisition of Our Parent Company by FTX**



[https://web.archive.org/web/20220704154039/https://support-
jp.liquid.com/hc/ja/articles/4424001757453](https://web.archive.org/web/20220704154039/https://support-
jp.liquid.com/hc/ja/articles/4424001757453)

- **【Official Website】 Regarding the Acquisition of Our Parent Company by FTX**



[https://support.custodiem.com/hc/ja/articles/4424001757453-
FTX%E3%81%AB%E3%82%88%E3%82%8B%E5%BD%93%E7%A4%BE%E8%A6%AA
%E4%BC%9A%E7%A4%BE%E3%81%AE%E8%B2%B7%E5%8F%8E%E3%81%AB%E3
%81%A4%E3%81%84%E3%81%A6](https://support.custodiem.com/hc/ja/articles/4424001757453-
FTX%E3%81%AB%E3%82%88%E3%82%8B%E5%BD%93%E7%A4%BE%E8%A6%AA
%E4%BC%9A%E7%A4%BE%E3%81%AE%E8%B2%B7%E5%8F%8E%E3%81%AB%E3
%81%A4%E3%81%84%E3%81%A6)

Please refer to the above document (Regarding the Acquisition of Our Parent Company by FTX).

The “Existing FTX account holders” section of this site stated, “Existing FTX accounts will be transferred to FTX Japan.” and the existence of an identity verification procedure (KYC process) was not a condition.

If they did not wish to continue as FTX Japan clients, they were informed to withdraw their assets and terminate their client accounts in accordance with FTX Trading's Terms of Service by the transfer deadline. In other words, unless the FTX Trading account was terminated by the transfer deadline, the account would be forced to become an FTX Japan account. This is consistent with the contents of the transfer notice sent by FTX Trading.

FTX Japan was aware that the title of the transfer notice sent by FTX Trading was “Important Notice to Japanese Customer” and provided specific guidance based on the contents of the transfer notice. From this, it is clear that FTX Japan had accepted the contents of the transfer notice.

Since FTX Japan has frequently deleted or altered unfavorable statements on its official pages in the past, the claimant is closely watching what will happen to the statements on these pages in the future.

(2) Acceptance of FTX Japan Mobile App by FTX Japan

The FTX Japan mobile app was also introduced on the official FTX Japan website.

The evidence is attached from Page 33 of 98 to Page 35 of 98 of Docket 20744 submitted by the claimant in this case.

- 「Mobile App Overview」 ※Image translated into English



FTX JP

Sign In

Customer Support (Help/Inquiries) | FTX Japan > Mobile App

Search articles

Mobile App Overview

update 3 months ago

Features

With our mobile app, you can access the following from your smartphone:


- Portfolio management for FTX JP accounts
- Buying, selling, depositing and withdrawing crypto assets and fiat currencies
- Setting up crypto and fiat recurring orders
- Read industry news
- Check the price movements of over 8,000 cryptocurrencies

- 【Archive】「Mobile App Overview」

<https://web.archive.org/web/20230208165718/https://help-jp.ftx.com/hc/ja/articles/8278235767577-%E3%83%A2%E3%83%90%E3%82%A4%E3%83%AB%E3%82%A2%E3%83%97%E3%83%AA%E6%A6%82%E8%A6%81>




- 「How to redeem via the mobile app」 ※ Image translated into English



Sign In

Around February 2023,
Page deleted.

Customer Support (Help/Inquiries) | FTX Japan > Mobile App

 Search articles

How to redeem via the mobile app

update3 months ago

This is a fee-free service that allows you to buy assets from FTX JP or sell assets you own to FTX JP from your smartphone .

Crypto assets can also be exchanged directly with each other without going through fiat currency, which is expected to reduce unnecessary transactions and fees.

As with the FTX JP [exchange](#) , you can freely trade any combination of currencies as follows:

- Fiat currency x cryptocurrency
- Cryptocurrency x Cryptocurrency


- 【Archive】 「How to redeem via the mobile app」

<https://web.archive.org/web/20230208174453/https://help-jp.ftx.com/hc/ja/articles/8279703936409-%E3%83%A2%E3%83%90%E3%82%A4%E3%83%AB%E3%82%A2%E3%83%97%E3%83%AA%E3%81%A7%E3%81%AE%E4%BA%A4%E6%8F%9B%E6%96%B9%E6%B3%95%E3%81%AB%E3%81%A4%E3%81%84%E3%81%A6>




- ・「I would like to trade on something other than a computer. Do you offer a mobile app?」

※ Image translated into English

Sign In

Customer Support (Help/Inquiries) | FTX Japan > How to get started

 You can search by entering keywords



I would like to trade on something other than a computer. Do you offer a mobile app?

update5 hours ago

Yes, FTX Japan offers not only desktop trading but also a mobile app.

FTX Japan Mobile App

It is compatible with both iPhone and Android OS, and can be downloaded from the link below.



Link to download FTX Japan Mobile App

- ・【Archive】「I would like to trade on something other than a computer. Do you offer a mobile app?」


<https://web.archive.org/web/20220726093854/https://help-jp.ftx.com/hc/ja/articles/8282814119321>



The FTX Japan mobile app was the only official smartphone app that FTX Japan offered to its customers, and was also featured on FTX Japan's official website.

Given that FTX Japan had a download link on its official website, we can only assume that even if the application was operated by another company (Blockfolio), FTX Japan had approved the status of its activities.

- (3) Acceptance of FTX Trading Terms of Service by FTX Japan
we could see where FTX Japan had approved FTX Trading's Terms of Service on its official page.

Sign In


Customer Support (Help/Inquiries) | FTX Japan>About the transaction>FTX Earn

Search articles

FTX EarnWhen will the reward be paid?

update4months ago

FTX EarnThe reward is1You will be paid out on an hourly basis. You can check the amount of rewards you have earned by tapping on each cryptocurrency on the wallet screen of the mobile app.



FTX EarnTeethFTX InternationalThis is a service provided by.
FTX EarnWhen using theFTX InternationalYou must agree to the terms of use set forth by.

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[FTX EarnWhen will the reward be paid?](#)

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[FTX EarnWhat is the yield like?](#)

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[I would like to trade on something other than a computer. Do you offer a mobile app?](#)

[FTT\(FTXToken\) Utility](#)

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community

Was this article helpful?

0Human0People found this article helpful



FTXServices andFTXtoken(FTT)is not available in the United States or other jurisdictions.

On its official website, FTX Japan stated, “FTX Earn is a service provided by FTX International, and by using FTX Earn, you agree to the Terms of Service set forth by FTX International.”

FTX International here refers to FTX Trading, and there is no other interpretation.

5. The period during which FTX Trading explicitly rejected customers located in Japan

After the April 4, 2022 transfer deadline and until the filing of the Chapter 11 petition in November 2022, FTX Trading continued to explicitly reject clients located in Japan. FTX Trading had to continue to do so in order to be in compliance with Japanese law.

(1) transfer notice

The transfer notice clearly stated that all customers located in Japan who had opened accounts with FTX Trading would become customers of FTX Japan (formerly known as Quoine K.K.) and not FTX Trading as of April 4, 2022.

If they objected to the transfer notice, they were only allowed to stop using FTX.com and terminate the contract by April 4, 2022.

Evidence of this is attached at Page 14 of 98 through Page 23 of 98 in Docket 20744 submitted by the claimant in this case.

We have also included similar material in this document.

(2) FTX Trading Terms of Service

Under the "37. ASSIGNMENT AND SUBCONTRACTING" section of FTX Trading's Terms of Service and the Asset Transfer Agreement, the assignment of all customer contracts located in Japan was effected. This resulted in all clients located in Japan being treated as FTX Japan accounts.

If they objected to the transfer of their customer contracts, they were only allowed to stop using FTX.com and terminate their contracts.

37. **ASSIGNMENT AND SUBCONTRACTING**

37.1 You may not assign, novate, or otherwise transfer, any of your rights or obligations under the Terms, or sub-contract the performance of any of your obligations under the Terms, without the prior written consent of FTX Trading. Any attempted assignment, novation, transfer or sub-contracting without our consent shall be void.

37.2 FTX Trading may assign, novate, or otherwise transfer any of its rights or obligations under the Terms to any other person, or sub-contract the performance of any of its obligations under the Terms (including the performance of the Services), at any time and without your consent, and you hereby consent to such assignment, novation, transfer or subcontracting, and agree to take all actions (including by way of executing documents) and other assistance required by FTX Trading to ensure that any such assignment, novation, transfer or subcontracting is effective and enforceable. If you object to such assignment, novation, transfer or sub-contracting you may stop using our Services and terminate the Terms by [contacting us](#) and requesting us to close your Account.

SCHEDULE 15 of the FTX Trading Terms of Service had a page translated into Japanese as well as English. According to it, SCHEDULE 15, "TERMS APPLICABLE TO JAPAN USERS ONLY," applied to customers residing in Japan who used FTX Earn, which was provided by FTX Trading.

The FTX Earn program was a service offered by FTX Trading.

However, the latest FTX Trading Terms of Service, updated on May 13, 2022, states that customers located in Japan may only use the FTX Earn program as an FTX Japan user, not as an FTX.com user.

Latest FTX Trading Terms of Service - SCHEDULE 15

"SERVICE SCHEDULE TERMS APPLICABLE TO JAPAN USERS ONLY"

SCHEDULE 15
SERVICE SCHEDULE
TERMS APPLICABLE TO JAPAN USERS ONLY
(Updated September 19, 2022)

The following terms will form part of the Terms and will apply to you if you are a resident of Japan who is using FTX Earn or has enabled Peer-to-Peer Crypto Borrowing and Lending ("**P2P Crypto Loans**") provided by FTX Trading.

FTX Trading provides and operates a peer-to-peer crypto asset borrowing and lending platform for matching Borrowers and Lenders of P2P Crypto Loans to users of FTX Japan Corporation (Cryptocurrency Exchange Business Kanto Finance Bureau Director No. 00002 and Type 1 Financial Instruments Business registrant) ("**FTX Japan**"). P2P Crypto Loans are available both via the Site as well as via the FTX Earn program on the Mobile Application.

By enabling and agreeing to borrow or lend P2P Crypto Loans (either via the Site or the FTX Earn program), you hereby acknowledge and agree that:

- you are an authorized and verified user of FTX Japan;
- P2P Crypto Loans are not provided by FTX Japan and all P2P Crypto Loan services are provided solely by FTX Trading;
- you have read and understood, and agree to the Terms of Service and FTX's Privacy Policy, each as amended from time to time;
- you authorize FTX Japan to share any information collected from you with FTX Trading as may be required under anti-money laundering laws or otherwise in compliance with applicable financial regulatory and other laws;
- if you're participating in the FTX Earn program, you are lending your crypto assets to third party borrowers in return for rewards which are variable for each crypto asset and changes hourly;
- you hereby authorize FTX Trading to instruct FTX Japan to borrow from and lend assets to Lenders and Borrowers, respectively, and to take all such actions as may be required to complete such P2P Crypto Loans on your behalf;
- you will only participate in P2P Crypto Loans for your own account and not for the account of others;
- you will not use P2P Crypto Loans for any illegal activities, unlawful conduct or other restricted purposes as set forth in the Terms;
- FTX Trading does not act as borrower or lender of any P2P Crypto Loans; and

Only FTX Japan users are eligible to participate in P2P Crypto Loans, either as a borrower or as a lender.

Lending

To become a P2P Crypto Loan lender ("**Lender**"), you must have first deposited assets with FTX Japan into your FTX Japan account ("**Account**"). As a Lender, you can select "LEND" on the P2P Crypto Loans website or participate in the FTX Earn program on the Mobile Application, and specify the amount, minimum rate and type of crypto asset that you wish to lend out in order to become eligible to lend out your crypto assets. Your lending offer will then be submitted to FTX Trading's P2P Crypto Loan order book and automatically matched with borrowers, if any.

The amount of funds borrowed, funding rates and estimated funding rates are based solely on historical data, are not guaranteed and are subject to frequent change on an hourly basis. There is no assurance that you will be able to lend out your crypto assets, that there will be any borrowers available to you, that there will be any demand for crypto borrowing, or that any of the displayed lending rates are accurate. FTX Trading reserves the right, in its sole discretion, to determine the ordering and matching of Lenders and Borrowers. You further agree to pay any platform charges or fees that FTX Trading may provide from time to time.

You are not required to lend out any assets at any time. To stop lending out your assets, (a) go to the P2P Crypto Loans website and click on "STOP LENDING" at any time, or (b) if you are participating in the FTX Earn program on the Mobile Application, click on "Disable" in "Profile" → "Earn rewards on assets".

All loans of crypto assets via the P2P Crypto Loans website are non-recourse loans. You agree that your sole recourse in the event of default of a Borrower's P2P Crypto Loan is the seizure and/or liquidation of assets held in the Borrower's Account. You agree, and shall cause all of your agents, representatives and affiliates to agree, not to seek recourse or recompense against any funds, assets or properties owned by a Borrower outside of the Borrower's Account at any time.

LENDING CRYPTO ASSETS VIA P2P CRYPTO LOANS IS VERY HIGH RISK AND ARE NOT INSURED IN ANY WAY BY FTX TRADING, ANY GOVERNMENTAL AGENCY, OR ANY THIRD PARTY. AS A LENDER, YOU MAY SUSTAIN A TOTAL LOSS OF YOUR LENT CRYPTO ASSETS IF THE BORROWER DEFAULTS ON A P2P CRYPTO LOAN AND SEIZURE AND/OR LIQUIDATION OF THE BORROWER'S ACCOUNT FAIL TO REPAY SUFFICIENT CRYPTO ASSETS TO COVER THE BORROWER'S DEBT TO YOU OR OTHER LENDERS.

Borrowing

To become a P2P Crypto Loan borrower ("**Borrower**"), you must have first deposited crypto assets with FTX Japan into your Account as collateral. As a borrower, you can select "Enable Peer to Peer borrowing" on the P2P Crypto Loans website to enable borrowing of crypto assets from other FTX Japan users. The amount of crypto assets that you are entitled to borrow from time to time is determined based on a number of factors, including the amount of crypto assets made available by lenders for borrowing, the amount of crypto assets available in your Account as collateral, crypto asset market liquidity and volatility conditions, national, regional and global economic conditions, legal and regulatory requirements, as well as other factors that FTX Trading may consider from time to time.

All borrowed crypto assets using the P2P Crypto Loans website are **non-recourse** with respect to any assets held by the Borrower in the Borrower's Account. In other words, in the event of default, neither FTX Trading, any Lenders, nor any of their affiliates, agents or representatives may seek recourse or recompense against any funds, assets or properties owned by a Borrower outside of the Borrower's Account. In the event of default of a Borrower's P2P Crypto Loan, the sole recourse of any Lender is the seizure and/or liquidation of assets held in the Borrower's Account.

You agree to pay (a) any interest charges that may accrue on your P2P Crypto Loan, which you may view on the P2P Crypto Loans website, and (b) any platform charges or fees that FTX Trading may provide from time to time, which will be viewable on the P2P Crypto Loans website as well.

You are not required to borrow any crypto assets at any time. By enabling P2P Crypto Loan borrowing, you agree to do so at your own risk. You acknowledge and agree that any crypto assets borrowed from a Lender via a P2P Crypto Loan may be used for any purposes on the FTX Japan trading platform, including for trading, collateral and withdrawals, provided however, that you agree that FTX Trading may instruct FTX Japan to limit withdrawals of crypto assets borrowed under P2P Crypto Loans in the event that there is insufficient assets in your Account.

BORROWING P2P CRYPTO LOANS ON FTX TRADING IS VERY HIGH RISK. AS A BORROWER, YOU MAY SUSTAIN A TOTAL LOSS OF CRYPTO ASSETS IN YOUR ACCOUNT. THE HIGH VOLATILITY AND SUBSTANTIAL RISK OF ILLIQUIDITY IN THE MARKETS MEANS THAT YOU MAY NOT BE ABLE TO LIQUIDATE YOUR ACCOUNT ASSETS IN TIME, OR AT ALL. IF THE VALUE OF THE ASSETS HELD IN YOUR ACCOUNT FALLS BELOW THE MINIMUM BALANCE REQUIREMENT OR FTX TRADING DETERMINES IN ITS SOLE DISCRETION THAT YOUR ACCOUNT APPEARS TO BE IN DANGER OF DEFAULTING ON A P2P CRYPTO LOAN, FTX TRADING OR THE APPLICABLE LENDER(S) MAY, DIRECTLY OR INDIRECTLY, SEIZE AND LIQUIDATE ANY OR ALL OF YOUR POSITIONS AND ASSETS IN YOUR ACCOUNT TO REPAY YOUR BORROWED CRYPTO ASSETS.

別紙 15

サービスに関する別紙

日本のユーザーにのみ適用される規約

以下の規約は、本約款等の一部を構成し、FTX Earn を利用しているか又は FTX トレーディングが提供する P2P 貸借暗号資産取引（以下「**P2P 貸借暗号資産取引**」といいます。）をご利用可能な日本国に居住するお客様に適用されます。

FTX トレーディングは、P2P 貸借暗号資産の貸出人及び借受人のマッチングのための P2P 貸借暗号資産取引プラットフォームを FTX Japan 株式会社（暗号資産交換事業者（登録番号関東財務局長第 00002 号）、第一種金融商品取引業登録業者）（以下「**当社**」といいます。）のユーザー向けに提供し、運営します。P2P 貸借暗号資産取引は当社ウェブサイトを通じて、また、モバイルアプリの FTX Earn プログラムを通じて利用可能です。

（当社ウェブサイト又は FTX Earn プログラムのいずれかを通じて）P2P 貸借暗号資産取引における借受け又は貸出しを可能とし及び合意することで、お客様は以下の事項を了承し、同意します。

- お客様は当社により認定・認証されたユーザーです。
- P2P 貸借暗号資産取引は当社が提供するのではなく、P2P 貸借暗号資産取引に係るサービスは全て FTX トレーディングが単独で提供しています。
- お客様は、ご利用規約及び FTX のプライバシーポリシー（それぞれ随時なされる修正を含みます。）を精読及び理解し、並びにこれらに同意しました。
- お客様は、当社がアンチマネーロンダリング法上必要な場合に又は適用ある金融規制その他の法律に従ってお客様から収集する情報を FTX トレーディングに共有することを認めます。
- FTX Earn プログラムに参加されているお客様の場合、お客様の暗号資産は、各暗号資産に応じて変更する可能性があり、1 時間単位で変動する報酬と引き換えに第三者借受人に貸し出されます。
- お客様は、FTX トレーディングが当社に対して本貸出人及び本借受人それぞれとの間で資産の借受け及び貸出しを行い、お客様に代わり P2P 貸借暗号資産取引を完了するために必要な全ての措置を講じるよう指図することを認めます。
- お客様は、ご本人の勘定でのみ P2P 貸借暗号資産取引に参加し、他人の勘定で参加しません。
- お客様は、P2P 貸借暗号資産を違法行為、不法行為、その他本約款等に定める制限された目的のために利用しません。
- FTX トレーディングが P2P 貸借暗号資産の借受人又は貸出人となることはありません。

当社のユーザーのみが、借受人又は貸出人のいずれかとして P2P 貸借暗号資産取引に参加する資格を有します。

貸出し

お客様が P2P 貸借暗号資産取引の貸出人（以下「**本貸出人**」といいます。）となるには、まず資産をお客様が当社に開設した口座（以下「**お客様口座**」といいます。）に預託する必要があります。お客様は本貸出人として、P2P 貸借暗号資産取引ウェブサイトで「貸出し」を選択するか又はモバイルアプリの FTX Earn プログラムに参加し、貸出しを希望する暗号資産の数量、最低貸借料率及び暗号資産の種類を指定することで、お客様の暗号資産を貸し出す資格を得ます。お客様の貸出しオファーは FTX トレーディングの P2P 貸借暗号資産取引注文板に提出され、自動的に借受人（もしあれば）とのマッチングが行われます。

借受け額、資金調達率及び予想資金調達率は実績データのみに基づいており、保証されておらず、1 時間ごとに頻繁に変更されます。お客様の暗号資産を貸し出すことができるか、お客様が貸し出すことのできる借受人がいるか、暗号資産の借受けの需要があるか、又は表示された貸借料率が正確であるかは、保証されません。FTX トレーディングは、単独の裁量において本貸出人及び本借受人の注文及びマッチングを決定する権利を留保します。お客様はさらに FTX トレーディングが随時定めるプラットフォーム手数料を支払うことに同意します。

お客様はいかなる時も資産を貸し出す必要はありません。お客様の資産の貸出しをストップするには、(a) 何時でも P2P 貸借暗号資産取引ウェブサイトアクセスして「STOP LENDING」をクリックするか、又は(b) モバイルアプリ上で FTX Earn プログラムに参加しているお客様の場合、「プロフィール」の「無効にする」をクリックし、「資産で利益を得られます」をクリックします。

P2P 貸借暗号資産取引ウェブサイトを利用した貸し付けた暗号資産は全て**責任財産限定型**消費貸借です。お客様は、本借受人の P2P 貸借暗号資産取引で債務不履行となった場合にお客様が遡及できるのは本借受人の口座において保有されている資産の差押え及び／又は決済のみであることに同意します。お客様は何時でも本借受人の口座外に本借受人が所有する資金、資産若しくは財産からの償還又はこれらによる補償を求めないことに同意し、お客様の全ての代理人、代表者及び関連会社に同意させます。

P2P 貸借暗号資産取引を通じた暗号資産の貸出しは、極めて高いリスクを伴い、FTX トレーディング、政府機関又は第三者によって何ら保証されていません。本借受人が P2P 貸借暗号資産取引で債務不履行となり、かつ本借受人の口座の差押え及び／又は決済ではお客様又は他の本貸出人に対する本借受人の負債の補填に十分な暗号資産の返済ができない場合、お客様は本貸出人として貸し出した暗号資産を全て失う可能性があります。

借受け

P2P 貸借暗号資産の借受人（以下「**本借受人**」といいます。）になるには、まず暗号資産を担保としてお客様口座において当社に預託する必要があります。お客様は借受人として P2P 貸借暗号資産取引ウェブサイト「P2P 借受けを有効とする」を選択することで当社の他のユーザーから暗号資産を借り受けることができます。お客様が借り受けることのできる暗号資産の数量は、貸出人が借受けに提供する暗号資産の数量、お客様口座で担保として利用可能な暗号資産の数量、暗号資産市場の流動性及びボラティリティの状況、国、地域及び世界の経済状況、法律上及び規制上の要件並びに FTX トレーディングが随時検討するその他の要因を含む多くの要因に基づいて決定されます。

P2P 貸借暗号資産取引ウェブサイトを利用して借り受けられた暗号資産全てについて、**責任財産**は本借受人の口座において本借受人が保有する資産に**限定されます**。言い換えると、債務不履行の場合、FTX トレーディング、本貸出人又はその関連会社、代理人若しくは代表者のいずれも本借受人の口座外に本借受人が所有する資金、資産若しくは財産からの償還又はこれらによる補償を求めることはできません。本借受人が P2P 貸借暗号資産取引で債務不履行となった場合、本貸出人が遡及できるのは本借受人の口座において保有される資産の差押及び／又は決済のみです。

お客様は、(a) P2P 貸借暗号資産に付される利息 (P2P 貸借暗号資産取引ウェブサイトでご覧いただけます。)、及び (b) FTX トレーディングが随時定めるプラットフォーム手数料 (これも P2P 貸借暗号資産取引ウェブサイトでご覧可能です。)) を支払うことに同意します。

お客様はいかなる時も暗号資産を借り受ける必要はありません。P2P 貸借暗号資産の借受けを可能とすることで、お客様はご自身がリスクを負担して借受けを行うことに同意します。お客様は、P2P 貸借暗号資産取引を通じて本貸出人から借り受けた暗号資産が当社の取引プラットフォーム上で取引、担保及び引出を含むあらゆる目的で利用される可能性があることを了承し、同意します。但し、お客様は、お客様口座に十分な資産がない場合は FTX トレーディングが P2P 貸借暗号資産取引に基づき借り受けられた暗号資産の引出を制限するよう当社に指図する可能性があることに同意します。

FTX トレーディングでの P2P 貸借暗号資産の借受けは極めて高いリスクを伴います。お客様は借受人として、お客様口座内の全ての暗号資産を失う可能性があります。マーケットにおける高いボラティリティ及び重大な非流動性リスクの存在は、お客様がお客様口座内の資産を期限内に決済できないか又は決済が全くできなくなる可能性があることを意味します。お客様口座において保有される資産の価額が最低必要残高を下回るか又は FTX トレーディングが単独の裁量でお客様口座の P2P 貸借暗号資産について債務不履行となるおそれがあると判断する場合、FTX トレーディング又は関連する本貸出人は、お客様が借り受けた暗号資産の返済のためにお客様口座内のポジション及び資産の全部又は一部を直接又は間接的に差し押え、決済する可能性があります。

■ 【KROLL】 FTX Trading Ltd. Case No. 22-11068 > Docket 328



<https://restructuring.ra.kroll.com/FTX/Home-DocketInfo?DockRelatedSearchValue=900807-328>

■ 【Archive】

<https://web.archive.org/web/20221006082538/https://help.ftx.com/hc/en-us/articles/360024788391-FTX-Terms-of-Service>



The claimant in this case had BTC income from the FTX Earn program from the transfer deadline (April 4, 2022) through November 9, 2022.

The screenshot displays the FTX Portfolio interface. On the left, a sidebar lists steps for account verification: STEP 1 (Initiate Account Owner Authentication), STEP 2 (Verify Identity of the Original FTX Account Owner), STEP 3 (KYC), STEP 4 (Review Account Balances), STEP 5 (Submission of Electronic Proof of Claim), and STEP 6 (Standby for Next Steps). The main content area is titled 'Portfolio' and shows a 'Total Customer Entitlement Claim (USD): \$49,395.54'. Below this, there are tabs for 'FTX App Earn', 'Spot Margin Lends', 'Spot Margin Borrow', and 'Funding'. The 'FTX App Earn' tab is active, displaying a table of transactions. The table has columns for Time, Currency, Size, and Size (USD). The transactions are listed in descending order of time, from 2022/11/9 15:00:00 to 2022/11/8 20:00:00. The 'Size' column shows the amount in BTC, and the 'Size (USD)' column shows the equivalent value in USD. At the bottom of the table, there is a 'Rows per page' dropdown set to 100 and a '1-20 / 20' indicator. Below the table, there is a section for 'Core Transactions' with a 'Download' button.

Time	Currency	Size	Size (USD)
2022/11/9 15:00:00	BTC	0.00000002 BTC	0.00034017 USD
2022/11/9 14:00:00	BTC	0.00000002 BTC	0.00033764 USD
2022/11/9 13:00:00	BTC	0.00000002 BTC	0.00033821 USD
2022/11/9 12:00:00	BTC	0.00000002 BTC	0.00033570 USD
2022/11/9 11:00:00	BTC	0.00000002 BTC	0.00033879 USD
2022/11/9 10:00:00	BTC	0.00000002 BTC	0.00034079 USD
2022/11/9 9:00:00	BTC	0.00000002 BTC	0.00034155 USD
2022/11/9 8:00:00	BTC	0.00000002 BTC	0.00034256 USD
2022/11/9 7:00:00	BTC	0.00000002 BTC	0.00034477 USD
2022/11/9 6:00:00	BTC	0.00000002 BTC	0.00033798 USD
2022/11/9 5:00:00	BTC	0.00000002 BTC	0.00034075 USD
2022/11/9 4:00:00	BTC	0.00000002 BTC	0.00034300 USD
2022/11/9 3:00:00	BTC	0.00000002 BTC	0.00035858 USD
2022/11/9 2:00:00	BTC	0.00000002 BTC	0.00037464 USD
2022/11/9 1:00:00	BTC	0.00000002 BTC	0.00036520 USD
2022/11/9 0:00:00	BTC	0.00000002 BTC	0.00036007 USD
2022/11/8 23:00:00	BTC	0.00001844 BTC	0.36200124 USD
2022/11/8 22:00:00	BTC	0.00001845 BTC	0.36372590 USD
2022/11/8 21:00:00	BTC	0.00001845 BTC	0.36334561 USD
2022/11/8 20:00:00	BTC	0.00001845 BTC	0.36292939 USD

Core Transactions

Transactions will be downloaded for the user's main account or the currently selected subaccount. This download may not include additional balance adjustments. Please download these using the adjustments tab.

Download

The only terms of service regarding the FTX EARN are the terms of service of FTX Trading. The Requester was a user residing in Japan. Therefore, the claimant in this case participated in the FTX EARN program as a user of FTX Japan and could not participate as a user of FTX Trading.

(3) Official FTX.com website, " Location Restrictions"

FTX serves all Japanese residents via FTX Japan.

"FTX provides services to all Japan residents through FTX Japan." clearly states that after the transfer deadline (April 4, 2022), FTX Trading completely eliminated the Japan resident accounts and placed Japan residents under the jurisdiction of FTX Japan.

(URL)

<https://web.archive.org/web/20221027173821/https://help.ftx.com/hc/en-us/articles/360042412652-Location-Restrictions>



(4) Official FTX.com website, " Jurisdiction, regulations, licensing, and practices"

5. FTX Digital Markets Ltd does not currently facilitate users who are from Japan, The Bahamas, Australia, or Singapore; and it does not service trading of tokenized stocks or prediction markets. All other services and users currently are or soon will be facilitated by FTX Digital Markets Ltd.

"5. FTX Digital Markets Ltd. does not currently support users in Japan, the Bahamas, Australia, or Singapore, and does not trade tokenized stocks or prediction markets." The following notation was confirmed.

3. Japan:

1. FTX serves all Japanese residents via FTX Japan.

"1. FTX provides services to all Japan residents through FTX Japan." clearly states that after the transfer deadline (April 4, 2022), FTX Trading completely eliminated the Japan resident accounts and placed Japan residents under the jurisdiction of FTX Japan.

(URL)

<https://web.archive.org/web/20220620175514/https://help.ftx.com/hc/en-us/articles/360056976411-Jurisdiction-regulations-licensing-and-practices>



6. Fraudulent acts committed by the debtor prior to the Chapter 11 proceedings

(1) FTX Trading's failure to segregate client assets

Although FTX Trading had publicly announced that it kept the assets of FTX Trading's clients separate from the assets of FTX Trading, it did not do so in practice. This misconduct has been covered in the press and was also described in court documents filed by Seth Melamed, the former representative of FTX Japan.

(2) FTX Japan mobile app assets were managed by FTX Trading

In the case of the victims other than the claimant in this case, it was found that the customers located in Japan who performed the KYC process for FTX Japan also had their assets managed in the FTX Trading database when they used the FTX Japan mobile app.

Therefore, even if assets are maintained in FTX Trading's database, it is not evidence of being a client of FTX Trading.

Evidence of this is attached to Docket 22947 submitted by the claimant in this case.

If the debtor had managed its assets as per the notice of transfer, the assets of the claimant in this case should have been managed in the multi-signature wallet, but in fact, this was not the case. This is not because the claimant in this case did not perform the merging accounts process, but because he was using the FTX Japan mobile app.

7. Falsehoods alleged by the debtor after Chapter 11 proceedings

(1) Necessity of Identity Verification Procedures (KYC Process)

Since the Chapter 11 filing, FTX Japan has begun to make a new claim that web browser service accounts will be treated as FTX Trading if they have not verified their identity (KYC process).

However, the transfer notice provided under the asset transfer agreement stated that all FTX Trading accounts would be transferred to FTX Japan, regardless of the identity verification process (KYC process).

The asset transfer agreement also stated that even if the assets had not yet been delivered to FTX Japan, FTX Japan shall perform all obligations of FTX Trading with respect to the client's assets located in Japan, and that FTX Trading shall be deemed to hold the client's assets located in Japan in trust for FTX Japan.

In other words, no identification procedure (KYC process) was required for the transfer of the claimant's assets, and the arrangement was that FTX Japan was obligated to repay the client, even if FTX Trading had custody of the assets.

The debtor is attempting to avoid liability by concealing this fact and making false claims.

(2) Need for merge account processing

After the Chapter 11 filing, FTX Japan began to argue that the FTX Japan mobile app accounts of Japanese customers that had existed prior to the Transfer Deadline would, in principle, be handled by FTX Trading, and only when the accounts were merged with the web browser service accounts would they be handled by FTX Japan, FTX Japan began to claim that the accounts of Japanese customers that existed before the Transfer Deadline will be handled by FTX Trading in principle, and only when the accounts are integrated with the web browser service accounts will they be handled by FTX Japan.

Note that prior to Chapter 11, FTX Japan never informed, notified, or publicly announced the existence of the merging accounts process to its clients.

Moreover, no mention of the merge process existed in the transfer notice given pursuant to the asset transfer agreement. All that was actually stated was that all FTX Trading accounts would be transferred to FTX Japan.

The asset transfer agreement also stated that even if the assets had not yet been

delivered to FTX Japan, FTX Japan shall perform all obligations of FTX Trading with respect to the client's assets located in Japan, and that FTX Trading shall be deemed to hold the client's assets located in Japan in trust for FTX Japan.

In other words, the merge process was unnecessary for the transfer of the claimant's assets in this case.

Again, we see that the debtor is trying to avoid liability by concealing this fact and claiming falsehood.

(3) Scope of asset transfer

The scope of the asset transfer, which the debtor began to claim after filing Chapter 11, was only for web browser service accounts that had undergone an identity verification procedure (KYC process). In addition, with regard to the FTX Japan mobile application (formerly known as the FTX App), the debtor claimed that it would only be considered an FTX Japan account if it had undergone the merge process with the web browser service account.

However, the document only stated that the asset transfer agreement covered existing FTX Trading customers located in Japan who had signed a customer agreement with FTX Trading, and did not state conditions such as identity verification or merge processing.

Then, in a form mutually agreed upon by both parties, FTX Japan and FTX Trading jointly issued a transfer notice to each customer, stating that all FTX Trading customers would become FTX Japan accounts after the Transfer Deadline.

The Asset Transfer Agreement also required that the representations and warranties made by FTX Trading and FTX Japan be true and accurate in all respects and not misleading in any respect.

The Debtor's current allegations are so different from the facts. The Debtor can only be interpreted as attempting to conceal by falsehood facts that are inconvenient to the Debtor. The Debtor has not complied with the Asset Transfer Agreement and the Notice of Transfer.

The fact that the debtor was most unwilling to acknowledge was that all customer contracts located in Japan for which it received a notice of assignment must be treated as FTX Japan accounts. Debtor is extremely malicious and irresponsible

(4) Arrangements for assets managed by FTX Trading

FTX Japan did not control all of the client's assets located in Japan that were the subject of the Asset Transfer Agreement, some of which were controlled by FTX Trading.

The Asset Transfer Agreement provided that the assets of clients located in Japan for whom the transfer of assets had not yet been completed would be held in trust for FTX Japan by FTX Trading, and in any event, FTX Japan had an obligation to return the assets to the clients located in Japan.

Nevertheless, the debtor is currently concealing this fact and claiming that it is obligated to return to FTX Trading any customers located in Japan who were still registered in FTX Trading's database. By making false claims, the debtor is attempting to resolve its obligations in favor of the debtor.

8. Samuel Bankman Fried had been appointed President of FTX Japan

Mr. Samuel Bankman Fried, who was the representative director of FTX Trading, was also the representative director at FTX Japan after May 30, 2022.

The following Certificate of All Historical Matters was registered with the Legal Affairs Bureau in Japan and is an excerpt of the relevant part of FTX Japan.

履歴事項全部証明書

東京都千代田区神田錦町三丁目17番地
FTX Japan株式会社

会社法人等番号	0104-01-115356		
商号	QUOINE株式会社		
	FTX Japan株式会社		令和 4年 4月 4日変更
			令和 4年 4月 5日登記
本店	東京都中央区京橋二丁目2番1号		平成30年 6月 4日移転
			平成30年 7月 5日登記
	東京都千代田区神田錦町三丁目17番地		令和 2年 4月 1日移転
			令和 2年 4月14日登記
公告をする方法	官報に掲載する方法により行う。		
会社成立の年月日	平成26年11月25日		
目的	(1) 仮想通貨交換業 (2) マイニング事業 (3) 資金移動業 (4) 貸金業 (5) 金融商品取引業 (6) 前払式支払手段の発行、企画、販売、運営及び管理に関する業務 (7) 生命保険の募集に関する業務 (8) 損害保険代理店業務 (9) 保険仲立人業務 (10) 割賦販売、包括信用購入あっせん、個別信用購入あっせんに関する業務 (11) クレジットカード番号等取扱契約締結事業 (12) 金融業 (13) 広告代理事業 (14) 広報業務の代理業及び営業代行事業 (15) 各種メディア事業の企画・開発・運営 (16) コンピュータシステムの設計・構築及び販売代理 (17) 収納代行業務 (18) クラウドサービスの企画・設計・開発・販売及び保守に関する業務 (19) 前各号に関連する調査、企画、研究、開発、保守、教育、研修及びその受託業務 (20) 前各号に附帯又は関連する一切の事業 平成30年 3月27日変更 平成30年 5月31日登記		

東京都千代田区神田錦町三丁目17番地
FTX Japan株式会社

シンガポール共和国シンガポールオレンジグローブ8-6-2 代表取締役 栢森加里矢	令和 2年12月 9日就任
	令和 3年 1月 4日登記
	令和 4年 8月 3日退任
	令和 4年 9月12日登記
東京都目黒区下目黒二丁目3番7-510号 代表取締役 セス・メラメド	令和 2年12月 9日就任
	令和 3年 1月 4日登記
	令和 4年 8月 3日退任
	令和 4年 9月12日登記
バハマ国N4417ニュープロビデンス島、ウエスト・ベイ・ストリート・ロット5 代表取締役 サミュエル・バンクマン・フリード	令和 4年 5月30日就任
	令和 4年 7月21日登記
	令和 4年 8月 3日退任
	令和 4年 9月12日登記
シンガポール共和国シンガポールオレンジグローブ8-6-2 代表取締役 栢森加里矢	令和 4年 8月 8日就任
	令和 4年 9月12日登記
	令和 4年 9月20日辞任
	令和 4年10月 5日登記
バハマ国N4417ニュープロビデンス島、ウエスト・ベイ・ストリート・ロット5 代表取締役 サミュエル・バンクマン・フリード	令和 4年 8月 8日就任
	令和 4年 9月12日登記
	令和 5年 1月18日退任
	令和 5年 1月30日登記
東京都目黒区下目黒二丁目3番7-510号 代表取締役 セス・メラメド	令和 4年 8月 8日就任
	令和 4年 9月12日登記

整理番号 ム351269

* 下線のあるものは抹消事項であることを示す。

12/14

As the asset transfer procedure based on the asset transfer agreement was completed, FTX Japan K.K. officially launched its crypto asset trading platform, "FTX Japan," on May 30, 2022.

In arguing for FTX Japan to be relieved of its obligation to fulfill its obligations, FTX Japan might use the excuse that since FTX Japan and FTX Trading are separate legal entities, it does not have knowledge of FTX Trading's information and is not liable for it. However, the fact that Samuel Bankman Fried was the representative director of both FTX Trading and FTX Japan is no reason for FTX Japan to be absolved of its responsibility.

In any event, this is not a reason to excuse FTX Japan from its obligation to perform its obligations, since the acts, announcements, and representations made under the Asset Transfer Agreement were arrangements to be made with the consent of both FTX Trading and FTX Japan.

For example, FTX Japan might make the excuse that it did not know which customers were using the FTX App, but that argument does not excuse FTX Japan from its obligation to fulfill its obligations.

The problem should have been addressed when Samuel Bankman Fried was appointed as Representative Director, and FTX Trading should have turned over all the information to FTX Japan from the beginning based on the Asset Transfer Agreement in the first place.

The asset transfer agreement also stated that if FTX Japan or FTX Trading became aware of any facts, matters, or circumstances that might prevent the fulfillment of the preconditions for the asset transfer, it would immediately notify the other party in writing. In other words, both FTX Japan and FTX Trading were obligated to share information to ensure that the asset transfer of the Japanese resident could be completed without delay.

The debtors now claim that they did not fulfill their obligation to share that information.

9 . FTX Japan's prioritization of repayment of FTX intercompany debt over its customers

The Debtor processed the payment of FTX intercompany debts through the filing of Docket 15654. This involved the liquidation of FTX Japan's debts that existed among FTX affiliates, including FTX Trading, resulting in FTX Japan making payments totaling \$69.7 million (approximately ¥10.9 billion).

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payables and, pursuant to this Motion, the Debtors are seeking to settle such intercompany payables in an orderly fashion. See Coverick Decl. ¶ 7.

11. Based on the Debtors' currently available books and records as of April 30, 2024, FTX Japan has intercompany payables to the Intercompany Debtors in an aggregate amount of \$69.7 million, consisting of the following (each an "Intercompany Payable" and collectively the "Intercompany Payables"). See Coverick Decl. ¶ 8.

Intercompany Payables Counterparty	Balance as of April 30, 2024	
	JPY (millions)	USD (thousands)
FTX Japan Holdings	626	3,967
FTX Trading	8,671	54,968
Alameda	1,266	8,027
Quoine	169	1,070
WRSS	252	1,600
WRS	13	81
Total	10,996	69,712

(URL)



<https://restructuring.ra.kroll.com/FTX/Home-DocketInfo?DockRelatedSearchValue=900807-15654>

The claimant in this case filed an objection to this matter. Please refer to Docket 16801 and Docket 18541 for more information.

In this objection, the claimant in this case stated that although FTX Japan should have been obligated to return assets to all its customers located in Japan, FTX Japan has been refusing to return assets to some Japanese residents through falsehoods and

concealment of material facts, claiming that FTX Trading is the competent exchange and refused to return the assets.

The claimant then made the argument that the outflow of assets from FTX Japan would be detrimental to the victim, a resident of Japan, because FTX Japan's exact liabilities have not been recorded.

In response, the debtor, while acknowledging in its Chapter 11 proof of claim that there were some Japanese residents who were making claims to FTX Japan rather than FTX Trading, insisted that it wanted to make intercompany payments because the market value of the assets actually being claimed remained sufficient.

Unfortunately, the claimant's objection did not pass and Docket 15654 was approved by the court. The payment of the FTX intercompany debt was preferentially fulfilled and, moreover, the amount of the debt was not reduced.

On the other hand, the fulfillment of the debt owed to the aggrieved customer is being put on the back burner. If the court approves the FTX Trading treatment, the actual amount owed by the debtor would be substantially less than the return of the physical crypto assets, since the return of the assets to be made by the debtor would be valued in dollars.

The allegations made by the debtor were maliciously false and not based on facts. However, most victims were unable to gather evidence, had difficulty dealing with the English language, and could not afford the financial resources or time to do so, so they had to cry themselves to sleep. For some customer victims residing in Japan who were treated as FTX Trading, a very unfair treatment was perpetrated.

So far, the debtor appears to be manipulating chapter11 as he sees fit. The court should never trust the debtor. This is a matter of trust for the U.S. as well. We will be watching the court's response closely in the future.

10. Sale to bitFlyer Holdings, Inc.

FTX Japan became a wholly owned subsidiary of bitFlyer Holdings, Inc. when bitFlyer Holdings, Inc. acquired 100% of the shares of FTX Japan KK on July 26, 2024.

When FTX Japan was acquired by bitFlyer Holdings, Inc. for up to 4.5 billion yen, this was clearly an undervalued sale price. FTX Japan had a net worth of approximately ¥6.3 billion as of June 30, 2024. Furthermore, the fact that the other party is listed on the FSA's list of registered crypto asset exchangers is worth billions of yen, a representative of bitFlyer Holdings, Inc. said.

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Why did we acquire FTX Japan? Interview with the CEO of bitFlyer

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June 22, 2024 5:00 [Members -only article]

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[BitFlyer](#) Holdings (HD, Minato, Tokyo), a major cryptocurrency exchange, will acquire FTX Japan (Chiyoda, Tokyo), the Japanese subsidiary of the bankrupt US company FTX Trading. After the acquisition, the company will change its name and develop an asset management (custody) business for institutional investors. We spoke to BitFlyer Holdings President Yuzo Kano about the purpose of the acquisition and future strategies.

--FTX Japan's customer base has shrunk due to the bankruptcy. What are the merits of acquiring it?

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It is speculated that the reason for the sale at a discount includes the possibility of FTX Japan taking responsibility for the fraud in this case. If they were successful in refusing to return the assets and were able to step down the debt they were supposed to fulfill, it would certainly be a significant windfall for FTX Japan.

Had FTX Japan agreed to return the assets from the beginning of the fraud case, it would have taken the form of taking responsibility for the fraud in which FTX Japan was involved without being pointed out by the claimants in this case. In reality, however, FTX Japan continues to be selfish, not wanting to comply with the return of assets and not wanting to have its FSA registration revoked.

Since FTX Trading had the authority to fire Seth Melamed, the former head of FTX Japan, at any time, it is highly possible that it was the policy of FTX Trading that FTX Japan was behaving improperly, but now that FTX Japan has been sold and the parent company has changed to bitFlyer Holdings Inc. The reason why the policy continues unchanged even now that it has been changed to bitFlyer Holdings, Inc. seems to be simply because FTX Japan does not want to suffer losses, as it is not possible to reverse its claims now.

The claimant in this case argues that the court should not tolerate the debtor's fraudulent claims because the debtor's claims are baseless.

1 1 . Organize the facts

The facts to date are as follows.

(1) FTX Trading's Acquisition of a Japanese Crypto Asset Exchanger for the Purpose of Complying with Japanese Law

In order to comply with Japanese law, FTX Trading had to remove all customer contracts located in Japan from FTX Trading and transfer the customer contracts to a legal entity listed on the Japanese crypto asset exchanger registration list. Otherwise, FTX Trading would have been found to be an unregistered illegal trader in violation of Japanese law, just as the Japanese FSA had listed Binance, the world's largest exchange, on its list of unregistered illegal traders.

Meanwhile, FTX Japan, which was acquired by the company, suffered unauthorized access on August 19, 2021, totaling approximately 750 million yen worth of damage. Then, Liquid Group Corporation, the parent company of FTX Japan, completed a financing of approximately 13.2 billion yen (\$120 million) from FTX Trading during August 2021 in order to strengthen its financial position, and started discussions with FTX Trading, including a business alliance.

As a result of FTX Trading's acquisition of FTX Japan's parent company, Liquid Group Corporation, FTX Trading now has the authority to fire FTX Japan's representative, Seth Melamed, at any time. Effective November 19, 2021, FTX Trading and FTX Japan entered into an asset transfer agreement. That the purpose of FTX Trading's acquisition of FTX Japan's parent company was to comply with Japanese law was clearly stated in the transfer notice sent via email to customers located in Japan, as well as in liquid's blog post dated 02/02/2022 ("FTX's Acquisition of Liquid Acquisition of Liquid by FTX").

(2) Details of the asset transfer agreement

Among the asset transfer agreements entered into by FTX Trading and FTX Japan on November 19, 2021, the most important details are as follows.

- (A) "Customers" means the existing customers of FTX Trading who are located in Japan and have entered into a Customer Contract with FTX Trading. ... (1.1)
- (B) The term "Assumed Liabilities" means (i) all liabilities, debts and obligations of FTX Trading arising in respect of the Assets and (ii) all liabilities and obligations (other than Excluded Liabilities) created or arising by the Client Agreement after Completion. ... (1.1)
- (C) "Customer Contracts" means the agreements entered into between the FTX Trading and the Customers pursuant to which the FTX Trading has agreed to provide services to the Customers to use the Exchange to buy, sell, exchange, hold, or otherwise transact in Digital Assets or their derivatives, or any other services offered by the FTX Trading through its website, and "Customer Contract" means any one of them. ... (1.1)
- (D) "Notice of Assignment" means the notice of assignment to be issued by FTX Trading and FTX Japan to the Customers under the Customer Contracts.... (1.1)
- (E) Subject to the terms and conditions of this Agreement, with effect from the Effective Time, FTX Japan shall assume and agree to pay, perform and discharge the Assumed Liabilities. ... (2.2)
- (F) The representations and warranties given by FTX Trading and FTX Japan under this Agreement remaining true and accurate in all respects and not misleading in any respect up to and including the Completion Date. ... (4.1)
- (G) If, at any time, FTX Trading or FTX Japan becomes aware of a fact, matter or circumstance that might prevent a Condition from being satisfied, it shall immediately inform the other Party in writing. ... (4.4)
- (H) In so far as any Assets are not delivered or formally transferred, novated or assigned to FTX Japan at Completion and until such time as they are formally transferred, novated or assigned to FTX Japan. FTX Trading shall be deemed to hold all such Assets, and any monies, goods or other benefits received thereunder, on trust for FTX Japan... (7.3)

- (I) FTX Japan shall perform all the obligations of FTX Trading in respect of such Assets which are Customer Contracts.... (7.3)
- (J) As soon as practicable after the signing of this Agreement, FTX Trading shall disclose the Customer Data to FTX Japan.... (10.1)
- (K) As soon as practicable after the execution of this Agreement, FTX Japan shall, and FTX Trading shall cooperate with FTX Japan to develop the parsing of FTX Trading's Application Programming Interface data to obtain all Current Asset and Customer Data. ... (10.2)
- (L) As soon as practicable after the signing of this Agreement but by no later than Completion, FTX Trading and FTX Japan shall jointly issue the Notice of Assignment, in a form mutually agreed by the Parties, to each Customer.... (10.3)

(3) Content of Notice of Assignment

Under the asset transfer agreement, FTX Trading sent a transfer notice via email to customers located in Japan in February-March 2022. The transfer notice contained the following information.

- (A) In connection with the acquisition, and in order to provide services to existing Japanese users in compliance with Japanese laws, we have entered into a strategic transaction with Liquid, and were planning to transfer existing Japanese users of FTX to Quoine Corporation ("Quoine"), a wholly-owned subsidiary of Liquid, and a licensed Japanese crypto asset exchange service provider and Type I financial instruments business operator, on March 30, 2022. This transfer has been postponed to April 4, 2022.

(The English portion of the notice of transfer clearly stated that the purpose of the acquisition was to provide services to existing users in Japan in compliance with Japanese laws and regulations.)

- (B) We have identified you as a resident of Japan and in order for you to continue as a Quoine customer, you will be required to provide additional KYC information. Upon logging into your account, you will be presented with a pop-up that directs you to provide updated KYC information. You may also go to

ftx.com/jp/kyc/ to complete your updated KYC information directly. If you do not wish to continue as a Quoine customer, you have until 9:00 AM JST on April 4, 2022 (the "Transfer Deadline") to withdraw your assets from FTX and close your account in accordance with our Terms of Service.

- (C) However, our records indicate that you have completed KYC. If you do not complete KYC by the Transfer Deadline, you will (1) not be able to trade, (2) be forcibly reduced down to a maximum of 2x leverage on the Transfer Deadline, and (3) will only be able to withdraw your assets and close your Quoine account after the Transfer Deadline. In order to access your Quoine account to continue trading or to access your assets, you will need to update your account information by completing the new KYC request before April 4, 2022.
- (D) You account will be transferred to Quoine starting at 9:00 AM JST on the TransferDeadline. The following actions will be taken on your assets and positions at 9:00 AM on the Transfer Deadline:

(If you do not complete KYC)

Spot — BTC, ETH, BCH, XRP, BAT, LTC, XLM, FTT, SOL

Your account will be transferred to Quoine on the Transfer Deadline and you will be required to complete KYC during the subsequent transition period. If KYC is not completed by the transition period, your assets will be transferred to a multisignature wallet held by FTX, Quoine and a third party custodian. You will only be able to withdraw these assets after the Transfer Deadline.

- (4) Existence of crypto assets that FTX Japan cannot handle

The Asset Transfer Agreement was an arrangement whereby all customer contracts located in Japan were transferred to FTX Japan, so FTX Trading customers through the FTX App (Current name: FTX Japan Mobile App) were also covered by the Asset Transfer Agreement.

However, if all the assets of the FTX App were transferred to FTX Japan as they are, the inconvenience of including crypto assets that are not handled by FTX Japan would arise.

FTX Japan was limited in the crypto assets it could handle. Therefore, the types of crypto assets that FTX Japan could handle were fewer than the types of crypto

assets that FTX Trading handled.

(5) Name change to FTX Japan mobile app

FTX Trading and FTX Japan did not develop a separate, new mobile app for Japanese customers, but simply changed the FTX App display to Japanese and added a Japanese Yen section. The name of the FTX App was then changed to the FTX Japan mobile app.

Crypto assets not handled by FTX Japan were dealt with by making them available for withdrawal instructions at any time.

(6) Asset management on the FTX Japan mobile app

The FTX Japan mobile app was basically just a change of look and feel, so the assets were managed by FTX Trading. It had nothing to do with the KYC process (identity verification) or the merging accounts process.

In one actual case, a customer who opened an account through the FTX Japan website and used the FTX Japan mobile app received a notification in Chapter 11 that FTX Trading had control over his assets.

It is generally known that although FTX Trading publicly announced that it had segregated customer assets, it did not in fact do so.

(7) FTX Trading FTX TERMS OF SERVICE

As foretold in the transfer notice, FTX Trading amended its Terms of Service on 13 May 2022. The content of the change was that the customer consented to the asset transfer to be carried out by FTX Trading. In other words, by applying FTX Trading's Terms of Service, the customer was treated as having consented to the asset transfer agreement of 19 November 2021.

In addition, although FTX Earn is a service provided by FTX Trading, the provision was changed to state that customers could only participate as a user of FTX Japan, not as a user of FTX Trading, if they were resident in Japan. The claimant in this case continued to use FTX Earn even after FTX Japan officially launched its services.

(8) Impact of Chapter 11

Prior to Chapter 11, if FTX Japan requested FTX Trading to hand over client assets located in Japan, FTX Trading was always willing to withdraw the assets.

However, in November 2022, FTX Trading filed a Chapter 11 petition and the assets managed by FTX Trading were affected by Chapter 11, requiring court permission to move the assets.

(9) Responses by FTX Japan to customers

Since the Chapter 11 complaint, FTX Japan began claiming that customers residing in Japan who were using the FTX Japan mobile app were handled by FTX Trading. This is despite the fact that the FTX Japan mobile application was introduced by FTX Japan on its official website as the FTX Japan mobile application, was described in the App Store as compliant with Japanese regulations and was a mobile application that allowed deposits from a bank account in the name of FTX Japan.

After receiving a great deal of criticism, FTX Japan changed its policy and agreed to return assets for some customers. These were new customers who had opened since FTX Japan started its services and customers who had completed the merging accounts process in advance for customers who had existed before FTX Japan started its services.

However, the merging accounts process was also problematic: FTX Japan had never informed or notified its customers about the processing of the merging accounts process. As the merging accounts process was originally launched by FTX Trading for FTX Trading customers, almost all customers residing in Japan were unaware of the existence of the merging accounts process when Chapter 11 was launched.

In the case of Japanese customers who used the FTX Japan mobile app and were eligible for the return of assets, the return of assets took place around late March 2023, approximately one month later than FTX Japan's official asset return date of February 2023.

Currently, FTX Japan claims that the assets managed by the FTX Japan mobile app were not covered by the 19 November 2021 asset transfer agreement. However,

there have been actual cases where a customer, who had verified his identity (KYC process) via the website, did not operate the merging accounts process from the FTX Japan mobile app at all, but FTX Japan forced the merging accounts process without obtaining consent from the customer, and the assets were subject to return. There have been several cases where the FTX Japan has enforced the merging accounts process without obtaining consent from the customer and has been subject to asset restitution.

If this is the case, it would be strange if the FTX Japan mobile app was not also subject to the asset transfer agreement; there is a contradiction between FTX Japan's past behaviour and its current claims. It should be considered that the current claims by FTX Japan are false and that in fact the customer contracts via the FTX Japan mobile app were also subject to the Asset Transfer Agreement.